

MOORE, COSTELLO & HART

ATTORNEYS AT LAW

1400 NORWEST CENTER

55 EAST FIFTH STREET

SAINT PAUL, MINNESOTA 55101-1792

(612) 227-7683

FORMERLY
FARICY, MOORE, COSTELLO & HART

ROLAND J. FARICY
1898-1962

HARRY G. COSTELLO
RETIRED

B. WARREN HART
1923-1981

WALTER V. DORLE
OF COUNSEL
1907-1980

RICHARD A. MOORE
WILLIAM F. ORME
MARVIN J. PERTZIK
A. PATRICK LEIGHTON
DAVID L. WHITE
HAROLD R. FOTSCH
ROBERT A. ALBRECHT
RONALD E. MARTELL
WILLIAM M. BEADIE
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BRUCE E. KIERNAT
LARRY A. HANSON
J. PATRICK PLUNKETT
JOHN M. HARENS
TIMOTHY A. SULLIVAN
DAVID A. KASTELIC
GREGORY M. BISTRAM
PHYLLIS KARASOV
CHRIS R. KABELLA
MALCOLM G. McDONALD
MARY E. GIULIANI
LEONARD W. GLEWWE
JOHN G. PATTERSON
STEVEN R. KRUGER
JONATHAN M. BYE
TIMOTHY C. COOK
RICHARD G. KUNKLE
ROBERT W. LUCAS
KATHRYN A. GRAVES

RECORDATION NO. 14000 - A Filed 1425

AUG 13 1985 - 3 50 PM

INTERSTATE COMMERCE COMMISSION

August 8, 1985

Ms. Mildred Lee
Interstate Commerce Commission
12th Street and Constitution Avenue
Room 2303
Washington D.C. 20423

Re: Recordation Number 14000

Dear Ms. Lee:

On April 11, 1983 at 10:10 A.M. a "Note and Security Agreement" was filed by the Interstate Commerce Commission pursuant to 49 U.S.C Section 11303 as Document Number 14000. The secured party in this transaction was The Maxson Corporation, 500 Como Avenue, St. Paul, Minnesota 55164. The debtor was North Central Oklahoma Railway, Inc. P.O. Box 1339, El Reno, Oklahoma 73036. The property used to secure this note consisted of two EMD G.P. 7, 1500 horsepower diesel locomotives, Unit Nos. 613 and 614.

When the North Central Oklahoma Railway, Inc. failed to make payments due under the above-referenced note, The Maxson Corporation served notice on the Railway that it was taking possession of the two locomotives pursuant to Section 9-503 of the Uniform Commercial Code and Paragraph 6 (i) of the above-referenced Note and Security Agreement. A copy of that notice is enclosed for filing.

Neither our office nor The Maxson Corporation has received any notice from the Railway objecting to this repossession. Accordingly, pursuant to Section 9-505 of the Uniform Commercial Code, The Maxson Corporation retains the locomotives in satisfaction of the obligation evidenced by the above-referenced note.

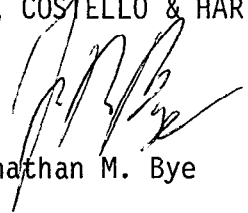
Ms. Mildred Lee
August 8, 1985
page 2

Also enclosed is a check in the amount of \$10.00 made payable to the Interstate Commerce Commission to pay for the filing of this document.

Yours very truly,

MOORE, COSTELLO & HART

By:

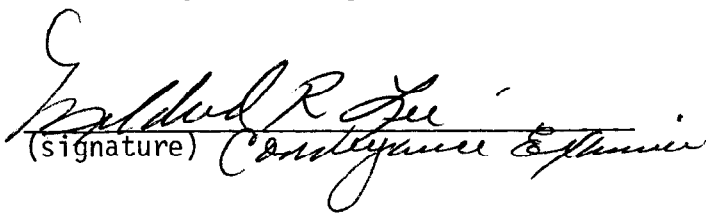

Jonathan M. Bye

JMB/ag
enc.

P.S. Please acknowledge receipt of this letter by returning the enclosed copy with signature.

Dated:

8/13/85


(signature)

Interstate Commerce Commission
Washington, D.C. 20423

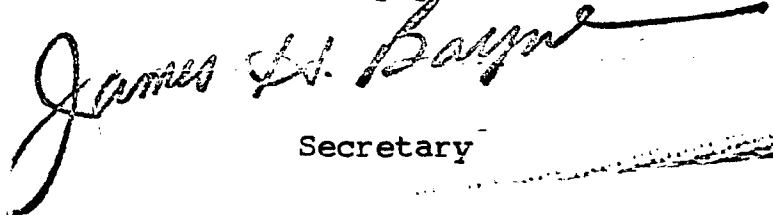
8/15/85

OFFICE OF THE SECRETARY

Jonathan M. Bye
Moore, Costello & Hart
1400 Northwest Center
55 East Fifth St.
St. Paul, Minnesota 55101-1792
Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/13/85 at 3:30pm and assigned re-
recording number(s). 14000-A

Sincerely yours,


Secretary

Enclosure(s)

STATE OF MINNESOTA }
COUNTY OF RAMSEY } ss.

RECORDATION NO. 14000-A Filed 1426

AUG 13 1985 - 3 20 PM

INTERSTATE COMMERCE COMMISSION

AFFIDAVIT OF
JONATHAN M. BYE

Jonathan M. Bye, being duly sworn on
oath, deposes and says:

1. That he is an attorney in the law firm of Moore, Costello & Hart in St. Paul, Minnesota, attorneys for The Maxson Corporation;
2. That on January 31, 1985 pursuant to Section 9-505 of the Uniform Commerical Code, he mailed the notice of default attached hereto as Exhibit "A" to Calvin Shelton, President of North Central Railway, Inc. by placing the original thereof in an envelope addressed: Post Office Box 1339, El Reno, Oklahoma, 73036 and depositing the same, with postage prepaid in the United States mails at St. Paul, Minnesota.
3. That he received the return receipt for said notice apparently signed by Calvin Shelton indicating that it was delivered February 6, 1985;
4. That more than 21 days has elapsed since said notice was mailed and that he has not received any written objection to The Maxson Corporation's retention of the described locomotives in satisfaction of the obligation referred to therein.

Dated: August 15, 1985

Jonathan M. Bye
Jonathan M. Bye

Subscribed and sworn to before me
this 15 day of August, 1985

Abigail R. Grenfell
Notary Public

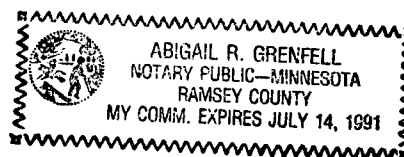


EXHIBIT "A"

MOORE, COSTELLO & HART

ATTORNEYS AT LAW

1400 NORWEST CENTER

55 EAST FIFTH STREET

SAINT PAUL, MINNESOTA 55102

(612) 227-7683

FORMERLY

FARICY, MOORE, COSTELLO & HART

ROLAND J. FARICY

1998-1962

HARRY G. COSTELLO

RETIRED

B. WARREN HART

1923-1981

WALTER V. DORLE

OF COUNSEL

1907-1980

January 31, 1985

CERTIFIED MAIL

Return Receipt Requested

RICHARD A. MOORE
WILLIAM F. ORME
MARVIN J. PERTZIK
A. PATRICK LEIGHTON
DAVID L. WHITE
HAROLD R. FOTSCH
ROBERT A. ALBRECHT
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ROBERT W. LUCAS

Mr. Calvin Shelton, President
North Central Oklahoma Railway, Inc.
Post Office Box 1339
El Reno, Oklahoma 73036

Re: Note and Security Agreement, executed
March 25, 1983 in favor of The Maxson
Corporation.

Dear Mr. Shelton:

We are the attorneys for The Maxson Corporation. On their behalf, we hereby notify you that North Central Oklahoma Railway, Inc. is in default under the above-referenced Note and Security Agreement in that no payments have been received since July 30, 1984.

Pursuant to paragraph 6(i) of that Note and Security Agreement, The Maxson Corporation hereby declares the remaining principal and accrued interest immediately due and payable. As of December 31, 1984 the remaining principal was \$167,729.52 and the accrued interest was \$10,436.00.

Pursuant to section 9-503 of the Uniform Commercial Code and paragraph 6(i) of the Note and Security Agreement, The Maxson Corporation hereby informs you that it is taking possession of the collateral of said Agreement, namely two EMD G.P. 7, 1500 horsepower diesel locomotives, unit numbers 613 and 614. Accordingly, you are hereby requested to stop using said locomotives and to store them in a safe manner until such time as The Maxson Corporation transports them to their own facilities. Appropriate officials from The Maxson Corporation will be contacting you in the near future to arrange such transportation.

Pursuant to section 9-505 of the Uniform Commercial Code, The Maxson Corporation hereby gives you written notice that it proposes to retain the locomotives in satisfaction of the obligation evidenced by the above-referenced Note unless written objection thereto is made by you within twenty-one (21) days of receipt of this notification.

Yours very truly,

MOORE, COSTELLO & HART

Jonathan M. Bye

JMB:cj